

The value of the Petrohemija's factory is between 100 and 150 million euros. Oil company NIS, which already holds shares in Petrohemija, would recapitalize it in order to acquire a majority stake in the ownership structure. According to Serbian newspapers, NIS is likely to invest in the construction of a new polypropylene factory and through this investment, through recapitalization, become the majority owner of HIP Petrohemija.

It would amount to an exchange between the two companies under a commercial principle.

The construction of the polypropylene factory is of great interest for Petrohemija itself, because propylene, which is produced through the process of cracking in ethylene, will be revalorized in market terms. NIS also has an interest in the privatization of HIP

Petrohemija. Oil refinery in Pancevo, through the operations of its newly commissioned deep processing facility, will also have larger quantities of propylene for processing at the future polypropylene factory. Petrohemija uses primary petrol from the refinery, which is only one of the byproducts of oil cracking and NIS sells them this based on the contract. Petrohemija has never had such a factory before, and there is only one other such facility in Serbia in Odzaci, but it has small capacity. Since Russian GazpromNeft became majority owner of NIS, it has not always been clear whether they are interested in Petrohemija or not, but the fact is that it is a cost-effective investment.